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> (252) 827-5141 FAISMILL (252) 827-5487 January 14, 2002

Renata Hesse, Esquire
Trial Attorney - Antitrust Division
Department of Justice
601 D Street NW, Suite 1200
Washington, DC 20530
Fax 202-616-9937

Dear Ms. Hesse:

For more than three years and at a cost of many million of taxpayers' dollars, the United States Justice Department has pursued an antitrust suit against Microsoft Corporation. As an interested taxpayer who has no direct financial interest in this proceeding. I strongly believe that the case has had no beneficial impact and that the settlement should be approved by the federal courts.

I remember not too many years ago, as a novice computer-user, using Prodigy for my Internet service. Prodigy then was rapidly supplanted by competitors, just as Microsoft supplanted Apple. The lawsuit against Microsoft was largely initiated by a Microsoft competitor. Netscape, which is now part of AOL Time Warner, an Internet behemoth in and of itself.

The point is that the marketplace, especially the Internet marketplace, has its own way of rewarding and penalizing companies' behavior – rapidly and sometimes brutally. The federal government, especially the federal courts, cannot respond rapidly and intelligently enough, even if it can respond brutally.

As a former judge and Supreme Court Justice, I know the limitations of the courts, and I believe this court has found its limits in this case. I believe this view is reflected in the decision by the Attorney General of the State of North Carolina to accept the settlement.

I hope that the courts will now restore good sense to the government's oversight of the information-technology industry.

Phil Carlton